How to Request a Legislative Bond Initiative

Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland

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What Is a Legislative Bond Initiative?

• Legislative Bond Initiatives (LBI) are bond authorization requests filed by members of the General Assembly of Maryland (GAM) to support specific local or non-State-owned capital projects.

• Although not submitted as part of the Governor’s capital budget, the authorization to fund an LBI is amended into the State’s annual capital budget bill.

• The Department of Legislative Services (DLS) reviews LBI requests in accordance with the rules and procedures established by GAM.
LBI Funding Constraints

- Capital budget bill passed by GAM typically earmarks a total of $15 million for LBIs
  - 90% of introduced projects are funded, although only 30% receive full funding
  - Funding typically ranges from $100,000 to $250,000
Project Eligibility

• A project must be capital in nature (land and/or structures) and have a 15-year service life
  – *E.g.*, real property acquisition, project planning and design, construction and renovation, certain capital equipment and furnishings

• A project must have a State or local public purpose and may not have a religious/sectarian purpose
  – *E.g.*, community centers, health facilities, historic preservation, museums, sports and recreational facilities

• Grantee must own the property or have a long-term lease of at least 15 years
Project Prioritization

• Project readiness
  – Adequate funding
  – Two-year match certification
  – Encumbrance and expenditures deadlines

• Employment creation/retention

• Matching funds
  – Equal match preferred
  – Match can include cash-in-hand, real property owned by grantee, in-kind contributions, funds expended prior to grant authorization

• Alternative funding sources
  – See Guidelines for the Submission of Legislative Bond Initiative Requests to the General Assembly of Maryland

• Delegation support
LBI Process: Initial Request

- Organizations must arrange for legislative sponsorship

- Members must complete and submit an LBI request form to the bill drafting office

- DLS enters the LBI request into the LBI database, and members receive an email acknowledging receipt
LBI Process: Request Form

- Provides information necessary for DLS to prepare an LBI request
  - Grantee legal name
  - Project title
  - Request amount
  - Matching fund type
- Form is available
  - On GAM webpage under the “Budget” tab and “Capital Budget” subtab
  - On members’ floor system
LBI Process: Request Document

- The bill drafting office delivers four copies of the LBI document to members
- Members review the LBI document to ensure that it is consistent with the request
- If changes are needed, including adding sponsors, the member must return all copies to the bill drafting office
LBI Process: Introduction

• To introduce the LBI, members deliver all copies of the LBI document to the Secretary of the Senate/Chief Clerk of the House. One copy must be signed by all cosponsors.

• Delivered LBIs are “read across the desk” in batches on introductory LBI letters.

• Upon introduction, each LBI
  – Populates the current session’s Bond Initiatives Funding report on the Budget tab and Capital subtab of the GAM website.
  – Is linked on each sponsor’s bill page.
LBI Process: Fact Sheet and Hearing

• Upon introduction, the designated grantee contact receives an automated email containing a link, instructions, and guidelines for completing a web-based LBI Fact Sheet
  – Fact sheets provide information needed by the budget committees to make funding decisions
  – Fact sheets must be submitted before hearings

• Budget committees hold hearings on most LBIs on LBI Saturday in early March
  – Testimony is time limited due to the volume of requests
LBI Process: Tracking

• LBI status can be tracked from the GAM website

• As each LBI is introduced and entered into the proceedings, the *Introduction of Legislative Bond Initiatives Report* (available on the Budget tab and Capital Budget subtab) is populated. This report is also linked to each sponsor’s bill page

• LBI Fact Sheets can be accessed and viewed and funding decisions tracked

• Prior session versions of the *Introduction of Legislative Bond Initiatives Report* can be accessed from the General Assembly of Maryland website under the “Publications” tab – search using the “Budget & Fiscal – Capital” classification
During the 2019 legislative session, the Maryland General Assembly will evaluate Legislative Bond Initiatives introduced by members of the House and Senate for inclusion in the Capital Budget Bill. The report below indicates the status of Legislative Bond Initiatives that have been read across in each chamber and officially introduced for consideration in the 2019 session. This report will be updated to reflect funding decisions as they are made by the House and Senate during the capital budget process. Please be aware the funding decisions are subject to change through any final action by the capital budget conference committee. All final funding decisions will be reflected in this report following the actions of the conference committees. The “total” column on the right indicates the total amount of funding approved for each project in the Capital Budget Bill, including any funding provided in the miscellaneous grant or other capital grant programs.

### 2019 Bond Initiatives Funding

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Status</th>
<th>House Sponsors</th>
<th>Senate Sponsors</th>
<th>County</th>
<th>Amount Requested</th>
<th>House Initiative</th>
<th>Senate Initiative</th>
<th>Other Funding</th>
<th>Total Funding</th>
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</thead>
<tbody>
<tr>
<td>CASA Centers Technology Upgrades</td>
<td>Introduced</td>
<td>Fisher, W. Ivey Fennell</td>
<td>Lee</td>
<td>Statewide</td>
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<tr>
<td>Frostburg Municipal Center</td>
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<tr>
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</table>
LBI Schedule

• The Bill Request Guarantee Date and Bill Introduction Dates apply to LBIs
  – Request Guarantee Date (14th Day): All LBIs requested by the Guarantee Date will be prepared and delivered in time to meet the Introduction Date
  – Introduction Date (27th Day for Senate; 31st Day for House): All LBIs introduced after the Introduction Date will be referred to the Rules Committee

• March
  – Budget committees hold hearings on LBIs (LBI Saturday)

• Late March/Early April
  – Budget committees vote on LBIs. Approved LBIs are amended into the capital budget bill

• Mid-April
  – Both chambers vote on the capital budget bill and final package of LBIs

• June 1
  – Effective date for LBIs